

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

United States Courts Southern
District of Texas

FILED

6/1/2022

Nathan Ochsner, Clerk of Court

UNITED STATES OF AMERICA

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v.

CRIMINAL NUMBER 3:21-CR-476-01

AGAPITO ARMENDARIZ

FACTUAL STATEMENT IN SUPPORT OF PLEA AGREEMENT

The United States of America, by and through Jennifer B. Lowery, United States Attorney for the Southern District of Texas, and Kenneth A. Cusick, Assistant United States Attorney, represent that the government can prove the alleged violation in Count TWO of this Indictment against AGAPITO ARMENDARIZ, the Defendant, as follows:

I.

If this case proceeded to trial, the United States of America could prove each element of the offense of Conspiracy to launder drug proceeds by transporting, transmitting, and transferring monetary instruments and funds, that is, United States currency from a place in the United States to a place to or through a place outside the United States, which the defendants then knew represented the proceeds of some form of unlawful activity, to wit: the unlawful possession of controlled substances with intent to distribute, and knowing that the transportation, transfer, and transmission of the monetary instruments and funds were designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of the said specified unlawful activity in violation of Title 18, U.S.C., Sections 1956(a)(2)(B)(i) and (a)(2)(B)(ii), and (h), beyond a reasonable doubt. The following facts, among others, would be offered to establish the Defendant's guilt:

II.

Since December 2014, the DEA Corpus Christi Resident Office (hereafter CCRO) and Internal Revenue Service (IRS) Corpus Christi Office have been investigating a transnational drug trafficking organization (DTO) operating in Mexico and throughout the United States. This DTO was based in the Rio Grande Valley, Texas. This organization participated in the transportation of cocaine, marihuana, and bulk U.S. currency, using aircraft, motor vehicles, and Federal Express packages shipped throughout the United States.

Rodolfo Hernandez Ramos and Luis Ortiz III were identified as leaders of the transportation element of this DTO. Rodolfo Hernandez Ramos and Luis Ortiz III coordinated, planned, and supervised the movement of cocaine, marihuana, and drug proceeds for this conspiracy during the approximate time period between February 1, 2013, and May 2, 2019.

During the investigation, agents discovered that Rodolfo Hernandez Ramos, Luis Ortiz III, and their associates utilized a business operated by Hernandez Ramos, along with multiple Federal Express shipping accounts, to ship packages containing illegal drugs and U.S. currency derived from the sale of illegal drugs through Federal Express. Agents have identified at least five Federal Express shipping accounts used by Rodolfo Hernandez Ramos, and his associates, to ship illegal drugs and illegal drug proceeds throughout the United States. Specifically, this DTO shipped the Federal Express packages containing illegal drugs or U.S. currency throughout the United States to include, but not limited to and from, Alabama, Colorado, Florida, Georgia, Indiana, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, and Virginia. During the period from January 2016 until February 2018, Federal

Express records showed packages which law enforcement investigators believed to contain drugs or bulk U.S. currency, were sent through Federal Express using the five (5) accounts identified as belonging to or used by Rodolfo Hernandez Ramos. Agents also identified at least three (3) Wells Fargo bank accounts using nominee names used by Rodolfo Hernandez Ramos to make payments to the five (5) FedEx accounts used by Hernandez Ramos for the shipment of illegal drugs and bulk currency.

Luis Ortiz III aka "Pancho" has been identified through court authorized wire intercepts, surveillance, and other investigative tools in this investigation as a person who worked closely with Rodolfo Hernandez Ramos in the coordination of the receipt of marijuana and cocaine from Mexico into South Texas, the weighing and packaging of these drugs into boxes at stash houses in the McAllen area, the transfer of these packages to a Federal Express facility in Edinburg, Texas, and the coordination of delivery of the packages to buyers throughout the United States. Further proof of this role by Ortiz was shown during May 2018 when he sent MMS messages to Hernandez Ramos containing images of what appears to be a ledger tabulating amounts of what is believed to be drugs sent to buyers. During surveillance, Luis Ortiz III's truck was observed parked at a residence or "stash" house believed to be used by the organization to store illegal drugs and illegal drug proceeds.

Guadalupe Gonzalez was identified as a close associate of Luis Ortiz III, who assisted with the storage of illegal drugs and bulk U.S. currency in the Rio Grande Valley area of Texas. More specifically, during the period of the conspiracy, Guadalupe Gonzalez operated two (2) "stash houses" in the McAllen, Texas area for Luis Ortiz III. Gonzalez also maintained a ledger of accounts for Ortiz and Hernandez Ramos which tracked amounts of drugs sent to buyers in other

states, the money owed to the suppliers of the cocaine and marihuana which was shipped by the DTO, and the amount of drugs handled by the DTO employees.

There were several sources of drugs identified during the investigation, whose drugs were transported by this DTO. AGAPITO ARMENDARIZ, Fernando Garza, and Emilio Garcia Uribe were identified as some of the sources of drugs for shipment by this DTO. AGAPITO ARMENDARIZ was a source of cocaine and marihuana who was a contact of and worked through Luis Ortiz III to transport ARMENDARIZ' drugs to his customers throughout the United States. ARMENDARIZ arranged for and coordinated the delivery of cocaine and marihuana into the Rio Grande Valley area of the United States. ARMENDARIZ utilized cars and trucks to directly deliver some of the drug loads he was responsible for early in the conspiracy alleged in Count ONE, however he began using the transportation network devised and operated by Ortiz and Hernandez Ramos to transport drugs for his customers. Once ARMENDARIZ began working with Ortiz, payment for the drugs shipped by Hernandez Ramos via FedEx was brought back to the Rio Grande Valley using FedEx, the United States Postal Service, or their own ground transport by car or truck. There were also couriers who retrieved packages containing bulk United States currency from private mail centers where postal boxes were rented for use by the transportation portion of this drug trafficking organization. Once the money for the drugs arrived in McAllen, Texas, members of this conspiracy retrieved the bulk currency for division and distribution to other co-conspirators. ARMENDARIZ was paid from the drug proceeds transported, transferred, or transmitted in these ways.

AGAPITO ARMENDARIZ paid Antonio Saenz and Juan Saenz to ensure the drug customers were satisfied with the quality and quantity of the drugs. Antonio and Juan Saenz also

instructed various customers about packing the bulk United States currency for shipmen by FedEx. Some of the money obtained by the Saenz brothers was deposited into bank accounts for payments to other co-conspirators. Most of the money collected by the Saenz brothers was transported to South Texas hidden in vehicles. In addition to cooperating defendant expected testimony about this activity, records from Bank of America, Wells Fargo Bank, and Wal-Mart reflect the deposit, transfer, and withdrawal of cash proceeds from the sale of drugs as previously described.

Some of the events, including drug and money deliveries were documented during portions of the investigation by court-authorized wiretaps of telephones used by Rodolfo Hernandez Ramos, Luis Ortiz III, and Guadalupe Gonzalez. Additional evidence was obtained by law enforcement officer surveillance in support of the telephone interceptions and on other occasions, numerous drug and money seizures, cooperating defendant available testimony, FedEx records for the five (5) accounts used by Hernandez Ramos, and bank records from three (3) accounts used by Hernandez Ramos to pay the five (5) FedEx accounts used by himself and the DTO. There were 11 seizures of suspected drugs between June 16, 2017, and May 1, 2019. The contents of nine (9) of the seized FedEx packages and one (1) other suspected quantity of seized drugs during the investigation were analyzed by the DEA and other forensic labs as necessary. The results of these analyses confirmed a total of 48.2 kilograms of cocaine powder and 335.8 kilograms of marihuana. Between January 1, 2016, and February 28, 2018, FedEx records for the five (5) FedEx accounts used by Rodolfo Hernandez Ramos showed approximately 31,922 kilograms of packages, which included packages sent north with drugs and south with bulk cash.

Exhibit A

The scope of the money laundering conspiracy alleged in Count TWO involved more than \$550,000 but less than \$1,500,000 in drug proceeds for this defendant.

Agapito Armendariz Jr
AGAPITO ARMEDARIZ
Defendant

Date

6/1/22

Sergio J. Sanchez
SERGIO J. SANCHEZ
Attorney of Defendant

Date

6/1/22

JENNIFER B. LOWERY
UNITED STATES ATTORNEY

By:

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